

EXHIBIT D

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

Case No. 95-88888-brl

Adv. Proc. No. 08-01789-brl

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In the Matter of:

BERNARD L. MADOFF,

Debtor.

- - - - -x

SECURITIES INVESTOR PROTECTION CORPORATION,

Plaintiff,

v.

BERNARD L. MADOFF INVESTMENT SECURITIES LLC,

Defendant.

- - - - -x

U.S. Bankruptcy Court

One Bowling Green

New York, New York

October 19, 2010

10:09 a.m.

B E F O R E:

HON. BURTON R. LIFLAND

U.S. BANKRUPTCY JUDGE

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2 Hearing re: Trustee's Motion for an Order to Affirm Trustee's
3 Determinations Denying Claims of Claimants Without BLMIS
4 Accounts In Their Names, Namely, Investors in Feeder Funds

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24 Transcribed by: Hana Copperman

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1 customer you are speaking of a customer who has an account.

2 Why is that important? Is it important not only
3 because the customers who have an account attain the status of
4 being a priority claimant in a SIPA proceeding, but, also,
5 those who have an allowed net equity in that proceeding are
6 entitled not only to participate in the SIPA customer property
7 fund but, also, to get a SIPA advance to the extent of their
8 allowed claim.

9 Those are very important rights that are carefully
10 laid out in the statute. Everything that we decide in this
11 case, the trustee decides, emanates from a review of the books
12 and records laying out that account and who is a customer
13 pursuant to it.

14 So, my colleagues have pointed out, well, you could
15 have a defrauding broker who gets the money, doesn't open an
16 account and steals it. And that person would be deemed a
17 customer. And they're quite correct. That's not what happened
18 here. That's true. That's not what happened here. What
19 happened here is is that -- no one denies this -- every one of
20 the feeder funds that are before Your Honor this morning opened
21 an account. And those are the accounts that should be honored
22 as customer accounts and receive the benefits accorded to a
23 SIPA customer.

24 The difference between what the objecting claimants
25 are and the feeder funds themselves is very, very significant.